

TRANSCRIPT

LEGISLATIVE COUNCIL ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into Ecosystem Decline in Victoria

Melbourne—Wednesday, 10 March 2021

MEMBERS

Ms Sonja Terpstra—Chair

Mr Clifford Hayes—Deputy Chair

Dr Matthew Bach

Ms Melina Bath

Dr Catherine Cumming

Mr Stuart Grimley

Mr Andy Meddick

Mr Cesar Melhem

Dr Samantha Ratnam

Ms Nina Taylor

PARTICIPATING MEMBERS

Ms Georgie Crozier

Mr David Davis

Dr Tien Kieu

Mrs Beverley McArthur

Mr Tim Quilty

WITNESSES

Ms Monique Dawson, Chief Executive Officer,

Mr Bill Paul, Manager, Environmental Performance, and

Mr Deon Kriek, General Manager, Operations, VicForests (*via videoconference*).

The CHAIR: I declare open the Legislative Council Environment and Planning Committee's public hearing for the Inquiry into Ecosystem Decline in Victoria. Please ensure that mobile phones have been switched to silent and that background noise is minimised.

I would like to begin this hearing by respectfully acknowledging the traditional custodians of the various lands which each of us are gathered on today and pay my respects to their ancestors, elders and families. I particularly welcome any elders or community members who are here today to impart their knowledge of this issue to the committee or who are watching the broadcast of these proceedings. I would also like to at this point in time welcome any members of the public who are watching these proceedings via the live broadcast.

At this point I would like to introduce the committee members to you: my name is Sonja Terpstra, and I am the Chair of the Environment and Planning Committee; Mr Clifford Hayes, who is the Deputy Chair; Dr Samantha Ratnam; Andy Meddick; Melina Bath; and Bev McArthur. And also joining us via Zoom are Nina Taylor and Stuart Grimley. No Cesar? Okay. That is all of us in the hearing today.

Also, just in regard to evidence, all evidence that will be taken during these proceedings is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you provide during the hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded, and you will be provided with a proof version of the transcript following the hearing. Transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, could you please state your name and any organisations that you are appearing on behalf of.

Ms DAWSON: I am Monique Dawson. I am the Chief Executive of VicForests.

Mr PAUL: And Bill Paul, Manager, Environmental Performance, for VicForests.

Mr KRIEK: Deon Kriek, General Manager, Operations, VicForests.

The CHAIR: Thank you. With that, I will get you to begin your opening statement. If you could please just keep your opening comments to a maximum of 10 minutes, that will allow plenty of time for all committee members to ask questions of you. I will also give you a 2-minute warning towards the end of your 10 minutes. If you finish earlier that is fine, but if we are getting towards the 10 minutes I will just give you a 2-minute warning to wrap it up. That will then of course allow all of us plenty of time to ask questions. I would also just like to say to those who are appearing via Zoom, if you experience any technical difficulties during the time, you can just leave the hearing and then dial back in if you lose connections. Also I will just ask any of those members and witnesses who are appearing via Zoom or internet that you mute your microphones while you are not speaking. That will just help to keep the background noise down. Okay, thanks. Over to you.

Ms DAWSON: Thank you, and thank you, committee, for inviting us along today. It is a pleasure. I am going to dive straight into a presentation. There is a lot of information in this presentation. We have made it available to you, and we thought the best thing we could do is for me to go over it pretty quickly and then there is the opportunity to drill into any of the matters that we have raised in the presentation, or obviously any other questions.

Visual presentation.

Ms DAWSON: This is just a description of the resource base that is available across Victoria. There is about 7.5 million hectares of forest, which includes private and public forests. Public forest is predominantly divided into state forest and the national parks and reserves. Of that forest we operate in the state forest areas only, obviously not the national parks and reserves. There are zoning rules that apply over a lot of the state forests, so they are not available to us for even consideration of harvesting. In the area of the forest that is available we then have a detailed timber model which then manages out all of those areas that are unavailable for other reasons or that are simply unmerchantable, so it is not timber that is able to be sold—it is not the right age, species or quality that is able to be sold. The total amount in our model that is available to us is about 417 000 hectares out of the 7.5 million hectares. That is all going to be harvested; that is just the total gross amount that is available to VicForests for even consideration of harvesting. The proportion of the state forest that is harvested annually is 0.04 per cent of the forested areas, and that dot on the map is an actually statistically accurate representation of the amount of forest that is harvested on an annual basis.

All areas that we harvest are regenerated. It is our requirement at law to ensure that we properly regenerate everything, which means that it is to be regenerated to the quality that occurred when we harvested it or better. I say 'or better' because many of the areas that we operate in are not great forest, because they are even-aged or single species because they are a reset of the forest following a fire event. When we regenerate it we seed and regenerate in a way that means that a broader species mix will actually grow back in that place once we have finished harvesting. We have seed banks that draw the characteristic seeds from all of the areas that we harvest in. We keep those in special cool storage facilities. They apply to the specific areas of the forest that we harvest.

We do not harvest old-growth forest. There is a lot of commentary, particularly on social media, about that, but we simply do not. We are obliged at law not to harvest old-growth forest and we apply the prescription that is set by the regulator. There is often confusion about very old single trees and old-growth forest. You need to have more than one tree to have a forest, and any old trees that you see us harvest will be trees that we have been directed to remove because they are dangerous trees, although we will generally do that as part of a broader effort that is managed by the Department of Environment, Land, Water and Planning.

Most of the areas that we harvest now, particularly in the Central Highlands, are the areas of the forest that reset after the 1939 fires, so they are regeneration forests. The anticipated total amount of areas that we will harvest across the state to 2030 in the ash species, which is both mountain ash and alpine ash, is between 10 000 to 12 000 hectares, and mixed species, 20 000 to 23 000 hectares. So the total amount of forest that will be harvested in Victoria prior to the cessation of timber harvesting at 2030 will be 35 000 maximum, which equates to 0.1 per cent.

I have also given you the snapshot of our customers by volume, so this is just annual report information. We have one, our largest customer, at 39 per cent—you can probably work out who that is: that is Australian Paper, or Opal Australian Paper—but we have also given you the breakdown of our other customers. There is a wedge there, which is 5 per cent, which is made up of 73 very micro businesses. They are our community forestry businesses or very small mills, particularly serviced out west of Melbourne.

I am not going to go into this in detail, but this is just to represent to you the very detailed planning process that goes into any harvesting operation. It is a five-year process that starts with a desktop analysis of that 417 000 available resource, and it is a detailed process that ends up with on-field assessments prior to any harvesting. It does take five years as a minimum for us to be able to bring a coupe on for harvesting. Coupe is how we describe the area of the forest that is the designated operation area. Through that process we start with a big group of coupes and then it is whittled down and whittled down and whittled down and whittled down. By the time we get to harvesting it is a very small subset of the coupes that we have investigated that we ultimately end up harvesting.

As part of our legal requirement but also commitment to supporting conservation efforts we have been doing a lot of work over the last several years in reviewing our harvesting and regeneration systems, so we have implemented significant changes to the way that we go about timber harvesting. A lot of the images that you will see, particularly online in social media, are of a traditional clear-fall harvesting system, which is there on the left of the screen. In a traditional clear-fell operation—you cannot quite see in the image because it is a long way away from you—you keep seed trees, so trees of maturity that you expect to throw seeds, but you clear the rest of the harvesting operation.

Following work that was done for the timber industry by Professor David Lindenmayer, which was for the Forest and Wood Products Australia organisation and that we have also been involved in, we have applied the

techniques that were recommended by Professor David Lindenmayer to the way that we approach variable retention in our coupes. Variable retention means that we are adaptive, we change how much we harvest based on the assessment of the condition of the coupe that we are harvesting in. The end result of it is that we focus much more on keeping islands, so clusters of trees, to provide better habitat, but also ensuring that there is connectivity between those islands and the outside forest area. We set the distance of those islands so that it is a small enough distance that particularly the greater gliders will be able to move from one of those islands to another retrained forest to avoid the risk of predation in particular, because we do not want those arboreal marsupials having to go across the forest floor, particularly while a coupe is relatively young—because of the risk of predation, particularly from feral animals.

This is just a graphical representation of that system. The lower quality forests, those that have been assessed as having low biodiversity value or conservation values, may still be subject to a clear-fell operation because there is no residual value in those areas. An example of that would be an area of mountain ash that has been so completely burnt that all of the trees are burnt. In those circumstances we would still retain a proportion of the trees, because good, old, burnt, dead trees have hollows and they are good for future habitat, but we would clear out all the other old, dead trees because they have no residual biodiversity value. We then have two main systems of retention, which are just based on the assessment of the biodiversity value of the coupe that we are operating in. The end result of that is about the proportion of trees that we leave in that area and also other values we might manage, like being able to look at the particular habitat for those threatened species of most concern. We have provided more detailed information about that to the committee. This is an example of a map that we would use in planning a retention harvesting operation. So that clearly marks out those areas that are to be retained and the values that we are preserving. We have also been doing a lot of work to support the continuation of the mountain ash forest ecosystem, and we have applied special retention harvesting to ensure the regeneration of mountain ash, particularly in the Central Highlands.

In light of the time, I just wanted to get to the work that we have done on the Leadbeater's possum. We have a very substantial monitoring and evaluation program. So we go back in after we have harvested and we confirm the persistence of threatened species in the coupes that we operate in. We are getting very good results from those post-harvest surveys. We also have over time been substantially funded by the state government to participate in developing better science around the Leadbeater's possum. So a lot of the money that we receive from the state government is so that we can participate in the Leadbeater's possum conservation effort.

Now, I am very proud to be able to provide this committee with the hot-off-the-press results of that analysis. We can now map all of the areas of forest by the characteristics of that forest area using LiDAR data, and we have then overlaid that with where possums are found. So this is all detections of Leadbeater's possums that have been recorded and made available to us. What we can say is that these detections show that there is a high correlation between a Leadbeater's possum being in an area of the forest that has good mid-storey connectivity—not tall trees, mid-storey connectivity—and that there is a low correlation with old tall forests. So Leadbeater's possums are not found in old tall forests. It makes sense because the mid-storey provides forage, so it is the food that the possums need, and so that is where you would find them. And fire has a stronger impact on that mid-storey and Leadbeater presence than harvesting.

I will just conclude with these maps, which just are very, very detailed but in your pack. This LiDAR data allows us to be able to map as fact—this is not a model, this is fact modelled—the height of trees and also the quality of the mid-storey. And so we now have the capacity, using LiDAR data, to be able to overlay all detections of any species that are brought to our attention on actual maps of the height and quality of the forests anywhere where there is good-quality LiDAR data.

The CHAIR: Great. Thank you very much. All right, we will hand over to committee members for questions. Mr Hayes, do you have a question? We will start with you.

Mr HAYES: Thank you very much for the presentation. I just wanted to ask you: say that there is no harvesting in old-growth forests, I just wondered, what does the 10 years apply to, then? I mean, the Premier made a big announcement about no logging in old-growth forests in 10 years time or that the industry had 10 years to get out of old-growth forests. So is that relevant? Or have you got out of the old-growth forests earlier?

Ms DAWSON: There were two aspects of the government's announcement. The first was that timber harvesting would cease in old-growth forests from the time of the announcement, but we had already ceased

harvesting in old-growth forests some six months in advance of that announcement. The second aspect of the policy is that there will be no harvesting at all in state forests from 2030.

Mr HAYES: Okay. So that applies to all state forests.

Ms DAWSON: All harvesting. There will be no native timber harvesting in state forests.

Mr HAYES: That brings me to my next question. Is it possible for the needs of the timber industry to be met by plantation timber in that period of time?

Ms DAWSON: It takes between 60 and 80 years for even a basic sawlog to be produced through hardwood and up to 120 years for the quality of the trees that are being currently provided into some of the mills, so there is not that level of time.

Mr HAYES: So plantation timber has not been established for that long, basically.

Ms DAWSON: Well, it is not commercially viable to have a hardwood plantation to produce a sawlog because capital—plantation companies are not going to put trees in the ground and wait for 120 years to get a return on that investment. So hardwood forests—generally the economics of it only work for a pulp log because you can produce that at a much earlier age, and so you get that return on investment.

Mr HAYES: Yes, I understand.

Ms DAWSON: Plantation forests for sawlogs are softwood, predominantly, and they are produced for a product which is a lighter, softer product that is used for different applications to the applications for hardwood.

Mr HAYES: Yes, okay. We will be hearing from some agroforestry people, I suppose, who are talking about hardwood plantations too, but I imagine that is pretty early days. How much of the forest has this variable retention method applied to it now as opposed to clear felling?

Ms DAWSON: Well, almost all of our operations now—

Mr PAUL: We are aiming for 80 per cent of all of our operations. So it is a small proportion that still have clear fall. About 80 per cent will move to that sort of adaptive management, and that is sort of largely in place right now.

Mr HAYES: Okay. Thank you.

The CHAIR: Dr Ratnam.

Dr RATNAM: Thank you very much for your presentation. Thank you, Chair. Last year in what is known as the ‘possums case’ VicForests was found to be illegally logging in 66 coupes across Victoria. In addition to the possums case, can you tell me how many legal cases are currently running against VicForests?

Ms DAWSON: We are involved in five cases currently.

Dr RATNAM: And how much has VicForests spent on legal costs between January 2018 and now?

Ms DAWSON: I cannot give you the number now. I am sorry; I did not prepare for numbers because it is not a PAEC inquiry, but I can certainly take that on notice.

Dr RATNAM: Take that on notice—that would be great.

Ms DAWSON: But it is many millions of dollars.

Dr RATNAM: Okay. Thank you. I appreciate that. VicForests is appealing the possums case. Can you tell us how much the appeal is costing? You can take on notice if you do not have the figures on hand.

Ms DAWSON: Well, the appeal is next month so we have not—

Dr RATNAM: Anticipated costs.

Ms DAWSON: anticipated the costs.

Dr RATNAM: All right. No problem.

The CHAIR: We just need to be cautious because there is legal action on foot. Sub judice might be an issue here. I am just putting that out there.

Dr RATNAM: Yes, just about costs, which I do not think are covered under that caveat.

The CHAIR: Sure. No, that is fine. That is all right. I am just letting you know.

Dr RATNAM: Understood. I think all my questions have been within bounds. My next question is around claims of jobs associated with native forest logging, because this is an area of contention and there are quite different perspectives on this. Can you tell the committee exactly how many jobs there are in native forest logging—jobs associated with cutting native forests, not jobs associated with the plantation sector or secondary processing, like at the Maryvale paper mill—and then, if you have those figures, how many jobs are actually in the plantation industry? So my question is: how many jobs are associated with cutting native forests and how many jobs are associated with the plantation industry?

Ms DAWSON: I run a timber harvesting company, so I am not responsible for government industry development. I could arrange for the department that is responsible for industry development to provide you with those figures. I can tell you how many people I employ in the area that I operate in. I prepared for a hearing that was on biodiversity, not an industry conversation. Perhaps those questions could be directed to the Department of Jobs, Precincts and Regions.

Dr RATNAM: I certainly will, but if you are liberty to talk about the jobs within VicForests that are associated with just the felling of native forests, that would be useful.

Ms DAWSON: Well, all of VicForests—that is all in the annual report.

Dr RATNAM: Okay. There is often a conflation of the native forest jobs and the plantation sector and secondary processing jobs, and that is why I am asking this question. And I do believe it is connected to the topic at hand because the work of felling native forests is directly impacting our ecosystems and biodiversity, so that why I am asking these questions. Are those figures conflated, with native forest jobs plus plantation and secondary processing, within VicForests?

Ms DAWSON: In our annual report we talk about the roles that are in our organisation. It is very difficult to pull them apart because secondary processing would not exist without native forest timber, so it is entirely legitimate to say that secondary processing jobs are absolutely able to be counted as part of the native timber industry because they will not be there if there is no native timber industry.

Dr RATNAM: Well, there is processing of plantation industry as well. I think is important to decipher them because there are some claims being made about the impact on industry of ceasing native forest logging, which are directly linked to then the conservation kind of arguments about forests because they are often negated by, 'Well, you're going to lose so many jobs'. That is why it is important to talk about it in this inquiry, because it is intricately linked to why we are still felling really precious habitat for species that are going extinct at the same time—why we are doing that when it is such a threat to our biodiversity and ecosystems. Often the industry argument is made to counter that, so that is why I am asking those questions.

Ms DAWSON: I will start at your proposition that native timber harvesting is having any impact on threatened species; it does not. Mathematically it is impossible for that to occur. I have already outlined the scale of our harvesting activities. Also scientifically—because of the care that we apply in our harvesting activities, all risk to any particular threatened species are managed at a coupe level so there is negligible impact on any threatened species. So it is important that I start by saying that the proposition that there is some significant harm I completely reject.

In terms of the actual equipment that applies at a mill, I think if you are not in the industry it is very difficult to understand, but you need different gear to harvest different types of trees—so softwood, you have a different type of saw to hardwood. It makes sense when you just think about the density of the timber. So it is not the case that a hardwood sawmiller can run a softwood log through a sawmill. You would need to completely replace all of the equipment in a hardwood mill for it to be able to process softwood. So it is not the industry being mischievous or difficult when it says that you cannot put plantation timber through a hardwood mill. They are different woods.

Dr RATNAM: Thank you.

The CHAIR: What I will say is that we are going to have to watch time, so I will come around to other members. We will come back if we have more time. But also, just to remind members if we do run out of time today you can put questions on notice of course as well. Ms Bath.

Ms BATH: Thank you. Thank you, Ms Dawson and Mr Paul, and Mr Kriek from afar—I think Mr Kriek is in my patch down in East Gippsland. Can I just get my head around—I wrote down ‘Lidar data’ or ‘Liddar’. How do we say that?

Ms DAWSON: LiDAR. It is laser data. So it is a camera which pings a laser beam at a topographic feature, and because of the time that it takes for that light to come back, you can then tell the distance that that laser has travelled. So that allows you to, in a 3D kind of way, map topographic and vegetation features.

Ms BATH: And so your data, who did this work? Did you do it, Ms Dawson, or was it done elsewhere? Who did this scientific work? Because what you are saying in that scientific work, if I heard you correctly, is that possums are not in old-growth or, say, aged timber; that they are actually in, did you say, 20-year or 30-year regenerated harvest?

Ms DAWSON: So it is in regeneration forest, and the prime density of the better possum sightings are when that regeneration is about 20 to 30 years of age.

Ms BATH: And what sits under that regen? You do not just have hardwood, you have got other species flourishing underneath at the same time, do you?

Ms DAWSON: So when we talk about midstorey we are really talking about wattles and acacias and those things that are forest trees that tend to be in the midstorey. It is not just that there are some of those trees; they need to have good connectivity because they are effectively the freeway that the possums use to move around in the forest.

The data that we use is public data in Victoria commissioned by the Department of Environment, Land, Water and Planning. So they commission the flyovers that create the data. The data then is cleaned. We are able to subscribe to that data and then we use it. But we have the specialist data analysis capability that we built up in VicForests that is able to take that raw data and then produce the 3D graphical representation of those forest stands.

Ms BATH: And does that science stack up? I mean, is this a credible sort of science that you are doing?

Ms DAWSON: We are going to publish it. We actually brought forward the maps for this committee. But it is our intention to publish this, and we will be doing that in the near term. But I am very happy to make the data or the information available to this committee and also to provide any additional information if you are interested in how we have created it. We will produce a handout for the committee in any event because we did think that you would be interested in it, and we were hoping to make that available in the next week or so. But as I said, it is hot off the press, so we brought this forward so that we could show you the results.

Ms BATH: And a final quick question, and you may want to take it on notice. We are doing decline in ecosystems and threatened species—that was looking and seeing. What does VicForests actually do to support threatened species or promote the ongoing of native species?

Ms DAWSON: The first thing that what we do is that we conduct significant surveys and analysis of every area of the forest that we go into. The primary surveying is done by DELWP, and you will hear from the conservation regulator I believe in the next session. The regulator will be able to talk about the surveying that they do, but on top of that we also assess the habitat for its likelihood of being supportive particularly of threatened species. We then apply both the formal legal requirements, which are a set of prescriptions given to us by the regulator for how we then treat the different habitat features of those coupes, so those islands that I talked about, but also buffers for streams or buffers around Leadbeater’s possum sightings and the like. Most of those prescriptions are set by regulation out of the code of practice, but on top of that we also can decide how we go about our harvest planning so we also produce the best outcomes in terms of connectivity, so it is a bit of an art of forestry to ensure that what we leave behind is also good quality habitat. Apart from that, we also have invested heavily in building up our scientific expertise. We have scientists working inside VicForests who conduct those habitat assessments prior to our activities as well as those post-harvest surveys, so that is

spotlight surveys and the like to see whether or not threatened species are persisting in the areas that we operate in. Then we can use that to build up a picture of which of our harvest techniques are going to be the most supportive of the persistence of threatened species in our coupes, as well as hopefully providing better quality habitat over time so that we can support recolonisation of the forest by providing trees that are needed so that threatened species can move back into areas of the forest where perhaps they were not even before.

The CHAIR: I might just follow up on that line of questioning before I throw to Ms Taylor. Just back to the data question, you were saying that—it sounds really impressive—this laser beam measures everything. Once you get that data back, is it an external third-party company that breaks down all that data and gives you information about what is happening, or is it, like you said, you have got scientists in your own team? Can you just unpack that a bit more and tell us how you get that data and how is there scientific rigour around it? Are there external scientists that then review it? How do you then produce a report out of that data?

Ms DAWSON: The data itself goes through cleansing exercises that predominantly DELWP work with themselves, and also some external providers to cleanse it. We are involved in a bit of the truth testing of that just to make sure that it kind of makes sense, but it is our internal team that have created the methodology that is used to take that raw data and be able to produce a map that shows those topographic features, because it is quite groundbreaking to be able to see through the canopy to the midstorey. That is a very new technique. The person we brought in we recruited out of the University of Melbourne because of her particular expertise in being able to do that. So the ability to see through the canopy to the midstorey is quite, I believe, groundbreaking?

Mr PAUL: It is, and we can then we see to the ground as well.

Ms DAWSON: And to see to the ground?

Mr PAUL: Through all layers of forest.

Ms DAWSON: That is revolutionary, and it is dependent on the much better quality LiDAR data that we also get now. That analysis capability is revolutionary, which is why we are really hoping to make it available more broadly. We are perfectly happy for that work to be reviewed, and we will do that as part of the peer review process when we are going to be publishing this information.

The CHAIR: Yes, I guess that is where my question was ultimately going to: is there peer review? All right. Thank you very much for that. Ms Taylor?

Ms TAYLOR: Hello. Thank you for your presentation. I just had two questions. I know that there was a bit of a discussion about burnt-out forest and how you decide what forest is maintained that is still habitable for animals and what is cleared. I think there is a lot of conjecture around it, and I am just wondering how that is objectively assessed. I imagine you would have to literally go tree to tree. Not being an expert in this I have no idea how you conduct it, but for the benefit of the community who are concerned and people concerned on either side, how is it objectively assessed so that they can have comfort in the processes that you use? That is my first question.

Ms DAWSON: You might need to answer this in terms of the habitat assessment, Bill.

Mr PAUL: Yes, okay. We first of all assess the area based on the severity of the bushfire, so we map all the forest and we use mapping that DELWP provide as well. That categorises the bushfire into one, two, three, four and five. The most severely burnt areas are where we focus our salvage harvesting operations. While we are harvesting in those severely burnt areas it means we can set aside green areas from harvesting that might be refuge as well. When we are planning our harvesting in those burnt areas we only harvest the burnt trees. Trees that are alive, or even if they are dead but have potential habitat values, we retain and protect them beyond the harvesting operation. So it is about harvesting those trees that are dead, leaving behind the habitat values that are still present so that when the regeneration comes through we have got a multistructured forest. Clearly those dead trees in time will fall over, but if we have got live trees as well that survived the fire we save them and protect them too.

Ms TAYLOR: Yes. And who assesses that objective? That is all. It may be the next guest that can speak to that, so if that is appropriate I can park that for them.

Mr PAUL: Our forestry staff assess those, but we have scientists, as we said, in the business and we utilise them to train our staff to identify those habitat values. But it is our field forestry staff who in most cases are qualified with tertiary qualifications as well, and they are out assessing those areas, identifying the habitat values and marking out and then supervising the operations to ensure they comply with the requirements we have set up.

Ms TAYLOR: Okay. Thank you. And the only other question was: how do you liaise or incorporate the use of traditional owners with VicForests in your operations? I was just interested in that as well.

Ms DAWSON: Thank you for the question because we are doing, I hope, a lot more authentic engagement with traditional owners now than perhaps has been understood in the past. We have formal obligations to consult with traditional owners as part of the planning process. Because we put out a timber release plan as part of that process, we get feedback from community. We have specific obligations under the settlement agreements that have been struck with the traditional owners of most of the forest areas that we operate in, because most of the areas that we operate in have now had the settlements determined. And so there are specific obligations for us to consult at other stages of the planning process with traditional owners. In addition to that we are currently negotiating memoranda of understanding with individual groups so that we can be very clear about their expectations of us so that we can more formally involve traditional owners in all aspects of our business. That will also enable us to provide formal opportunities for some skills transference both ways and enable us to support traditional owners to also potentially be involved in those economic activities that might mean that they can earn revenue, such as through sea tree harvesting, the habitat assessments and other work that provides a potential source of revenue into the traditional owner groups.

Ms TAYLOR: Thank you.

The CHAIR: I will just let members know: we have about 10 minutes left for this session, so if we do run out of time, again members can submit questions on notice. So, Mr Meddick, I will throw to you.

Mr MEDDICK: Thank you, Chair, and thank you for your presentation. I am going to try and quickly cover off a few quick things. A lot of your discussion is around looking for threatened species or any native species post logging, but I am not hearing anything much about prior, okay? So what I want to know is: prior to any logging going on in specific coupes, do you go in? Does an independent person or independent authority go in, check on whatever species might be threatened or otherwise be there and specifically exclude that coupe from any logging whatsoever? If so, what are those areas? And I am happy for you to provide that on notice. I am also happy for you to answer on notice another part of that question: if logging has occurred in those areas and it should not have, can you provide the details of that? I am asking those questions given that last week alone 12 native species became extinct in Australia, the majority of those in Victoria and those in native forest areas. The other question, and I am happy for this to be on notice too: the code of timber production places limits on logging—

Ms DAWSON: Can I suggest, Mr Meddick: it might be easier if you ask me one question at a time because I am having some difficulty, because I think that was about 10 different questions.

Mr MEDDICK: Sure.

Ms DAWSON: Firstly, I do want to reiterate: I have already today covered the processes of doing that habitat assessment and looking for threatened species prior to harvesting. I did touch on that before. Perhaps I will just repeat that it is the case that we do look for threatened species in coupes before we commence harvesting. We predominantly focus on assessing the likelihood of a particular species being in that location because of the quality of the habitat. So we know what the specific characteristics are that would be expected to be providing habitat for threatened species. For example, the giant burrowing frog—we know that they like pools, so we look for where there might be a pool of water in a coupe or where there might be the likelihood that pools would form if there was a rain event, and we would see that that was potentially an area that we should leave because that might be providing a breeding opportunity for the giant burrowing frog. I will not go through all of the species assessments that I have, but there are tens of species where we provide the kind of habitat assessment.

Mr MEDDICK: I understand that. The question really is: do you exclude that area completely from logging and if logging has occurred in those areas?

Ms DAWSON: We are not required to exclude an entire coupe from logging. What we do in the coupe is that we put in place buffers to protect those areas, so the distance between where the harvesting occurs and the particular habitat that we are protecting. Those buffers have been determined predominantly through regulation as being the distance that we need to leave, and so we apply those regulated buffers. If in a coupe we can set aside those buffers and there still is an area of that coupe that is merchantable, in that it is worth our while economically for us to harvest, we will still harvest it, because the government has allocated very specific areas of the forest for us to harvest in and we need to be able to generate as much of that timber as we can to supply into our customers so that we can meet our commercial obligations. So that was one question.

I do not know anything about a number of species becoming extinct last week. Did we hear that?

Mr PAUL: No.

Ms DAWSON: Could you please explain to me your source of information for that?

Mr MEDDICK: I can get that to you, yes. It was announced in all the major papers last week and on the television.

Ms DAWSON: Was it government information?

Mr MEDDICK: Twelve species.

The CHAIR: I think that was Victoria wide, wasn't it?

Mr MEDDICK: Yes, it was Victoria wide.

Ms DAWSON: Was that government information?

The CHAIR: No, it was a scientific announcement.

Mr MEDDICK: Scientific, yes—officially announced as being extinct.

Ms DAWSON: It was from a citizen science group or a—

The CHAIR: No. There were about 29 scientists who—

Ms DAWSON: But it was not an official publication.

The CHAIR: Well, it was not government, but it was scientists who were peer reviewing a report, so it is credible. That was a commentary on the whole of Victoria, though. It was not just about where you operate.

Ms DAWSON: Well, we certainly do not know of any species that are relevant to the areas that we have harvested in where there has been any determination in the recent future that their particular threats are greater than they were, other than the process that we are currently undergoing with the Department of Environment, Land, Water and Planning to review some 300 species, where I think they are reviewing the threats to those species so they can make a determination about what the future conservation status should be.

The CHAIR: Perhaps, Mr Meddick, if you have got any other questions, you could seek them on notice if that would be okay.

Mr MEDDICK: I will provide them on notice, yes.

The CHAIR: Mr Grimley.

Mr GRIMLEY: Thank you, Chair. Thank you for your submission today. I have just got one quick question, and it is in relation to the *Victorian Forestry Plan*. Can you just explain how VicForests was involved in the development of the *Victorian Forestry Plan* for us, please?

Ms DAWSON: VicForests is not inside the core public service, so we are not a government department. We are a full public purpose company, but we are not inside core agencies. So as a commercial organisation we are not as involved in policy development work inside government as perhaps a government department is. So with that being the context, VicForests was aware in general of the kinds of policy consideration that were going on

inside government but was not involved in the detailed development of that policy, which is a matter for government.

Mr GRIMLEY: Okay. Thank you. No further questions.

The CHAIR: Mrs McArthur.

Mrs McARTHUR: Thank you. Under the forestry plan 100 per cent of Victorian logged timber will be sourced from plantations of *Pinus radiata*. This inquiry is about ecosystem decline, and pine plantations are a monoculture crop and an introduced species. How does this help ecosystems?

Ms DAWSON: I am not in a position to really respond to that, as the policy is a government policy and it is a policy of the government of the day. My job is to implement the policy that has been promulgated, and that is what VicForests is doing. I would say, generally, I believe there is quite a bit of knowledge in forestry about the different benefits of different types of forests, whether they are plantation forests or natural forests. You would generally say that a natural forest, or a forest that looks natural, will provide better biodiversity benefits. That said, there are plenty of owners of blue gum plantations in the far west of this state who really wish their blue gum plantations were not providing quite as much of a food source for koalas. So I think they have proven that you can in fact have a plantation that provides a cracking good opportunity, particularly for koalas.

Mrs McARTHUR: Perhaps not *Pinus radiata*.

Ms DAWSON: Not *Pinus radiata*, no.

Mrs McARTHUR: Exactly.

The CHAIR: We are going to have to conclude the session now because it is now 10.30 and we have another witness. So, Mrs McArthur, if you have got any other questions, please feel free to provide them on notice.

I would just like to thank you very much for your presentation and for giving your evidence today.

Witnesses withdrew.